



State of Wisconsin • DEPARTMENT OF REVENUE

DIVISION OF STATE AND LOCAL FINANCE • BUREAU OF PROPERTY TAX • MANUFACTURING / UTILITY SECTION •

2135 Rimrock Road • MS 6-97 • P.O. Box 8971 •
Madison, WI 53708-8971

October 2005

TO: Municipal Electric Companies Organized Under
s. 66.0825 of the Wisconsin Statutes

FROM: WI Department of Revenue
Bureau of Property Tax
Manufacturing & Utility Section

RE: Project Status Annual Report
Due May 1, 2006

Your 2006 Project Status Report instructions are on the website at www.dor.state.wi.us/ust/index.
Extension requests for filing may be obtained by going to <http://www.dor.state.wi.us/ust/me> and applying
for an extension, provided the request is received before the due date.

Municipal electric companies shall pay in-lieu-of-taxes an amount equal to the ad valorem taxes imposed under secs. 76.01 to 76.26, Stats. on all projects owned by them. This tax amount is interpreted to be the product of the average net rate of taxation (s. 76.126) multiplied by the net book value (NBV) of the "project." The NBV is the original cost less accumulated depreciation, the rate of depreciation having been approved by the Wisconsin Public Service Commission (WPSC) or by the Wisconsin Department of Revenue. The date of valuation is January 1. The tax is due in the first year that there is an accumulation of costs assigned to a specific project. A project is defined at s. 66.0825(3)(g), Stats.:

"Project" means any plant, works, systems, facilities, and real and personal property of any nature whatsoever, together with all parts thereof and appurtenances thereto, used or useful in the generation, production, transmission, distribution, purchase, sale, exchange, or interchange of electric power and energy, or any interest therein or right to capacity thereof and the acquisition of fuel of any kind for any such purposes, including, but not limited to, the acquisition of fuel deposits and the acquisition or construction and operation of facilities for extracting fuel from natural deposits, for converting it for use in another form, for burning it in place, for transportation, storage and reprocessing or for any energy conservation measure which involves public education or the actual fitting and application of a device.

Regarding costs of a "project" which are included on your financial records as of December 31, 2005, please provide to us by May 1, 2006, the following:

1. Financial statements filed with the WPSC for the year ended December 31, 2005, which include project costs.
2. A detailed list or breakdown of the project components and their costs as of December 31, 2005, including a working funds computation. If there is more than one project, please provide a detailed list and working fund computation for each.
3. If the costs in 2 above include costs of construction out-of-state, please identify.
4. A detailed list of administrative expenses assigned or allocated to the reported projects (actual administrative cost incurred because of the project).
5. A copy of any published annual report for the year 2005.
6. Applications for exemption of Waste Treatment Facilities.
7. A statement signed by an officer certifying to the accuracy of the reported project costs.
8. For shared revenue purposes, also file with this office, if applicable, a completed for 142 "Net Book Value of Utility Property" and Form 143 "Estimate of Additions and Retirement of Qualifying Property." Form 143 is not due until July 1, 2006.

If you have any questions please contact us at:

TEL: (608) 266-8162

FAX: (608) 264-6887

EMAIL utility@dor.state.wi.us

MP-800 (10/03)